**Role of Cryptocurrencies in Developing Countries**

Have you ever considered how a cryptocurrency could assist developing nations? Yes, we have. “The number of poor worldwide remains unacceptably high, and it is becoming increasingly apparent that the gains of economic development have been spread unevenly across regions and countries,” according to the World Bank (World Bank Group, 2018, p. 23).

Moreover, around 30% of the world’s population lives in underbanked communities with shaky infrastructure, meaning they lack a bank account and find it difficult to transfer money to European countries.

**Brief Introduction to Cryptocurrency**

To provide a detailed summary of the opportunities presented by cryptocurrencies in developing countries, it is vital to first comprehend the general advantages they provide for users compared to central bank-issued fiat currencies such as the Euro the US dollar. Also, we will explore how this currency arose from the underlying technology, which is blockchain technology.

Blockchain technology has been around for a while now. It is a decentralized database shared through many computers in a network. Its entries are summarized and stored in blocks, which distinguishes it from other databases.

The two frontrunners in the cryptocurrency space are Bitcoin and Ethereum. Satoshi Nakatomo created the former in 2008. He gave the cryptocurrency a technical description of “an algorithm that records an ongoing chain of transactions between members of a decentralized peer-to-peer network and broadcasts these records to all members of the network.”

**General Advantages of Cryptocurrency**

Cryptocurrencies combine vital characteristics such as accountability and transparency, allowing counterparties to communicate without fear of losing trust.

Since governments cannot regulate cryptocurrencies, they are not limited to a single geographic region and can be exchanged anywhere in the world.

Cryptocurrencies promote financial inclusion because they do not need advanced technical skills other than internet connectivity and a digital computer.

Since the supply of cryptocurrencies is specified in its underlying protocol, no government or central bank may control it.

**Cryptocurrencies in Developing Countries**

Based on an overview of the economic problems in developed countries, cryptocurrencies can boost growth in various fields. As Chudnovsky and Lopez (2006) point out, new technologies and inventions are critical solutions for developing countries’ catch-up processes.

Cryptocurrencies make the process of exchanging currency and exchanging money faster and less expensive. As a result, it has proven affordable for citizens in developed countries with a middle income.

To gain from cryptocurrency-based upgrades, people must have internet access since only those with internet access can exchange cryptocurrencies. As a result, the rapid rise in internet use in developed countries over the last decade is both positive and essential.

To use cryptocurrency, you’ll need a software wallet and an internet connection. Many who are having difficulty opening a bank account should consider cryptocurrency.

Cryptocurrencies may also be able to address the issue of foreign trade engagement without a bank account. Individuals and businesses may benefit from cryptocurrencies like Bitcoin by facilitating small-scale international trade.

**Conclusion**

Cryptocurrencies have the potential to have a significant effect on developing countries by growing individual and corporate financial inclusion.

In addition, blockchain technology uses a more open monitoring mechanism, which aids in the fight against corruption. As a result, [Fanspel](https://fanspel.com/) is the right blockchain-based fantasy sports platform you can use to take your betting skills to a new, greater level.

These advantages are contingent on widespread acceptance of cryptocurrencies and the fulfillment of all three functions of money, which is currently not possible due to market instability.